



**creating space  
for change**

(Limited by Guarantee)

**Company Registration Number: 09703298**

**Charity Registration Number: 1170310**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2020**



## Structure, governance and management

### Reference and Administrative Details

*Charity Number:* 1170310

*Company Number:* 9703298

*Principal office:* 209-211 City Road, London EC1V 1JN

### Directors and Trustees

The Directors of the charity are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees during the year were:

Michael Clark

Katherine Gieve

Philippa Hill (Treasurer)

Almudena Lara (appointed Vice Chair 28 11 2019)

Aideen Lee

Paul Moffat

Nat Sloane (Chair)

Ian Thomas

Simon Tucker (Vice Chair, resigned 25 09 2019)

### Senior Staff

Chief Executive: Jules Hillier

Director of Business Development: Kate Tilley

Director of Communications and Influencing: Clare Laxton (appointed 17 09 2019)

Director of Practice and Learning: Ellen Marks

### Professional Advisors

#### **Solicitors**

K&L Gates  
One New  
Change  
London  
EC4M 8AF

Russell-  
Cooke  
2 Putney Hill  
London  
SW15 6AB

#### **Auditors**

Moore Kingston  
Smith  
Devonshire  
House  
60 Goswell Road  
London EC1M  
7AD

#### **Bankers**

Lloyds Bank  
25 Gresham  
Street  
London  
EC2V 7HN

#### **Insurance Brokers**

PIB Insurance  
Brokers  
Southgate House  
Southgate Street  
Gloucester GL1  
1UB

## Objectives and Activities

### Purpose

Pause's objective, as defined in our governing document is *"for the public benefit, to prevent and relieve the suffering and hardship of children, and families in need, particularly but not exclusively in circumstances where a child is at risk of being removed from the parents' care by order of the courts due to risk of significant harm.*

*To do so in particular but not exclusively through supporting the provision of a therapeutic relationship with a skilled practitioner providing advice, counselling and intense support to those who have experienced, or are at risk of repeatedly having, their children taken into care and by facilitating constructive relationships with those within their system including partners, family and professionals."*

In practice, Pause works with women who have experienced or are at risk of having children removed from their care. We offer an intensive, trauma informed model of support to women and although we recognise that it is sometimes necessary for a child to be removed, our vision is of a society where no family experiences it more than once. Since 2013 we have reached around 1,500 women who, before their work with Pause, have had over 4,500 children removed from their care.

This report covers the 2019/20 financial year.

### Activities

#### Pause Practices

Pause delivers an intensive relationship-based programme to women who have usually had two or more children removed from their care. This work is delivered in partnership with local authorities or third sector organisations that host Pause Practices and work within the Pause Framework.

During the period of this report, Pause had 24 Practices across the UK. We saw the opening of six Pause Practices in Bexley, Plymouth, Nottingham, Dundee, Haringey and Derbyshire. Pause Plymouth was the first Pause Practice that is funded by a social outcomes contract.

Sadly, we saw the closure, at the end of their contract period of three Pause Practices in Blackpool, North East Lincolnshire and Derby. Sustainability of Pause Practices is one of our key risks – the closure of three Pause Practices this year shows the challenges that local authorities are facing in finding funding to continue this work.

Many Pause Practices are funded through income streams not directly within the control of Pause (usually through local authority budgets). However, we also receive some income which is used to fund Practices. The income shown in these financial statements represents only those funds that were received or receivable directly by Pause and over which Pause has control.

## Pause Creating Space for Change

### Report of the Board of Trustees as at 31 March 2020

#### National support

Pause provides a wide range of support for each Practice, particularly to develop excellent practice and the sharing of learning. Each Pause Practice is allocated an experienced National Practice Lead who works with the Practice to ensure their work is of high quality and meets the pledges outlined in the Pause Framework. The National Practice Leads facilitate the sharing of knowledge and experience across the Pause network, enhancing Pause's role as a learning organisation. Their role is also to ensure model fidelity and quality assurance.

Practices are supported by the Business Development team, both through the development and delivery of new Practices, and by enabling Practices to define and report the impact of their work in order to secure future funding and longevity.

Practices are also supported by a Communications and Influencing team which delivers a range of external and internal communications, leads the Getting Involved participation programme and ensures Pause hears women's voices and experiences and supports them through the Next Steps work that women can access after they have been through the core programme. The team also leads our work to influence policy and practice across the UK.

#### Achievements and Performance

##### Making a difference through Practice

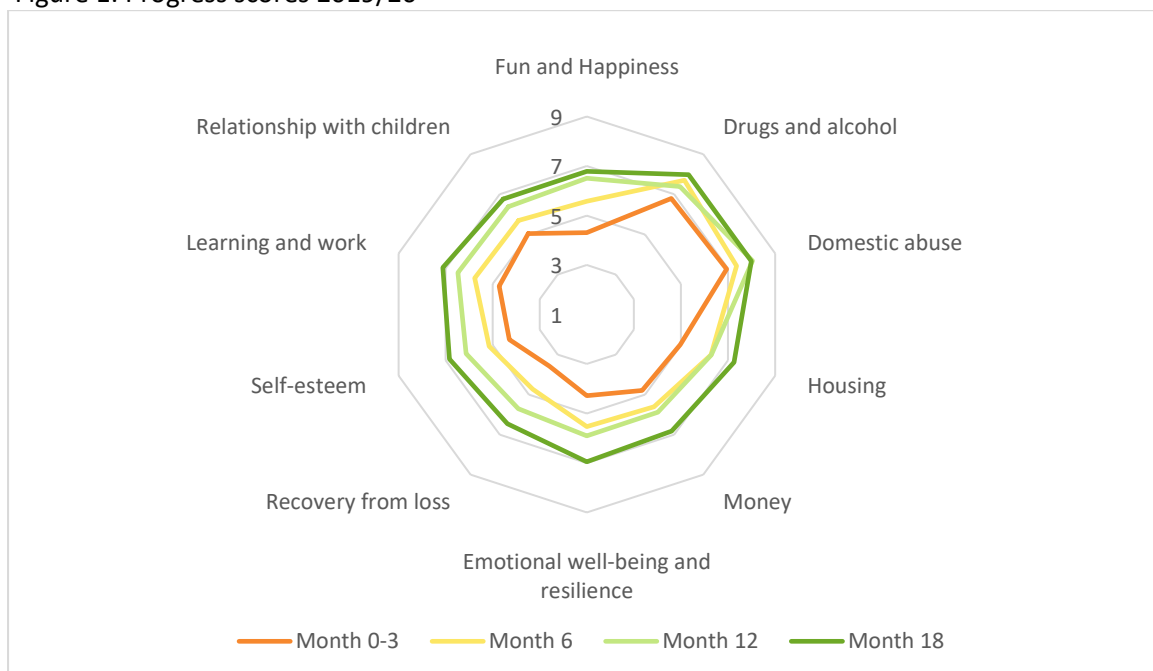
At the end of the financial year 2019/20, Pause Practices were working with 339 women who, between them, had had 1,034 children removed from their care prior to joining the Pause programme. Many of the women with whom Pause works have difficult, complex lives – they are likely to have experienced a range of challenges including domestic abuse, drug and alcohol use, mental ill health and insecure housing. Measuring their achievements can be subjective – the priorities are set by the women themselves and for some, simple changes in their lives will make a huge difference. Pause collects a range of data – some from women, some from Practitioners – to assist in understanding and evaluating the impact of the work.

A key tool designed to capture this is the Pause Progress tool, which identifies ten areas of a woman's life for her to score herself against at set intervals in the programme. For women completing the Pause Programme during 2019/20\*, significant progress was achieved in all areas as outlined in Figure 1 overleaf.

# Pause Creating Space for Change

## Report of the Board of Trustees as at 31 March 2020

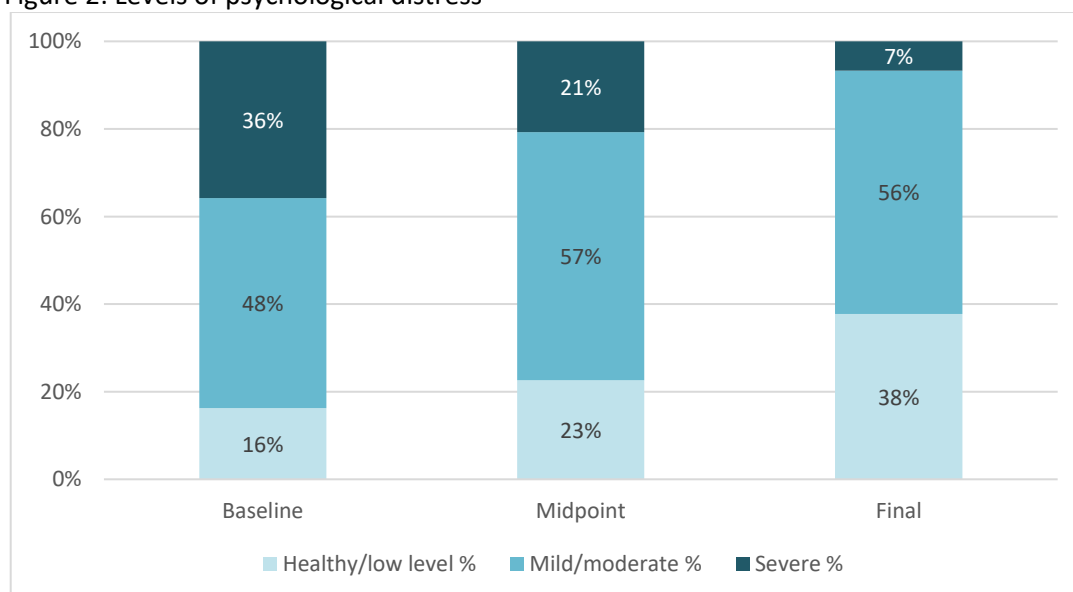
Figure 1: Progress scores 2019/20



\*Aggregate scores from 171 women who completed the programme between 01/04/19 - 30/03/20 and completed Progress tools.

Pause also measures the psychological distress of women using CORE-10 questions, a monitoring tool with items covering anxiety, depression, trauma, functioning and risk to self. Figure 2 below demonstrates a significant reduction in severe psychological distress, from 36% of Pause women\* at baseline (0-3 months into the programme) to 7% at final (18 months into the programme).

Figure 2: Levels of psychological distress



\*Aggregate data from 164 women who completed the programme between 01/04/18 - 30/03/19 and completed assessments.

## Pause Creating Space for Change

### Report of the Board of Trustees as at 31 March 2020

There is also a strong positive change in average life satisfaction and feeling that the things done in life are worthwhile - both of which are personal well-being questions from the Office of National Statistics and have a scale from 0-10. Women have moved significantly closer to the UK average for both measures during their time with Pause as demonstrated in Figure 3.

Figure 3: measures of life satisfaction and worthwhileness



### Training and learning

Pause provides a wide range of training and development for Practice teams and the national staff. In 2019/20 we held 42 learning events for Pause Practices across the UK. Pause also held its national staff conference in Leeds in September 2019 and welcomed 141 delegates from Practice and national staff from across the Pause network. A particular highlight for our training this year was our first ever webinar which focused on supporting care leavers and was attended by 41 delegates from across the Pause network.

### Learning from women's experience

2019/20 was a year where we really built on the foundations of our Getting Involved work which started last year. We supported 140 women to take part in 45 activities at which they had the opportunity to influence Pause and what we do. These activities included:

- involvement in policy consultations on public law;
- influencing changes in local practice (for example, all parents will now be advised of expectations re contact immediately after court in one local area);
- attendance at four national Pause events;
- contribution to and attendance at the Pause exhibition *Our Journey Continued*;
- contribution to external research projects;
- membership of the Advisory Group for the Pause project on relationships with children and contact arrangements.

## Pause Creating Space for Change

### Report of the Board of Trustees as at 31 March 2020

#### Next steps

This year we have built on the work we did last year reviewing our Next Steps offer to women as they move on from the Pause Programme. We now know that 73% of women access some form of Next Steps support once they have graduated from Pause. We have also co-designed with women three peer support pilots and have recruited a Peer Support worker in one Practice to begin this work. Next year we hope to expand our Next Steps offer with more peer support training for women and more Next Steps Practitioners in post across the Pause network.

#### A healthy happy national team

During this year we managed a successful office move out of a shared space to our own premises. This has created a real sense of identity for the organisation and the team. We also conducted a reward and recognition survey, meeting with all staff to consider whether they have what they need to do their job, and whether they feel properly acknowledged for their work. From this, we have also:

- Created a Flexible Working policy, which enables colleagues to create working patterns which suit them, from the first day of employment
- Created a Wellbeing policy, which encourages openness around mental health and other support needs
- Created a Pay policy

Due to COVID19 lockdown at the beginning of March 2020 we also successfully supported a shift to home working for the national team.

## Financial Review

### Financial position

During the period, Pause received income of £3,092,979 and incurred expenditure of £2,235,071. On the income side, £1,295,655 was from the Department for Education Innovation and £593,067 from the National Lottery Community Fund (TNLCF) to enable Pause to expand into the Home Nations, develop our Getting Involved work, develop our Next Steps offer, and evaluate these three strands of work.

### Risks and uncertainties

Pause has a risk register which is reviewed by the Trustees on a regular basis through the Risk and Finance committee. Both the Practice Committee and the Development Committee consider risk as it arises in their area and refer to the Risk and Finance Committee.

During the period of reporting, the key risks considered by the Trustees related to:

- A slowing of growth due to increased financial pressures in local areas and a longer approval process for Practices to open. The long-term impact of COVID19 should be considered in this context due to the increasing pressures it may put on local areas.
- The impact of a single significant income source reducing suddenly. Pause has an income generation strategy and has had considerable success in 2019/20 in securing funds from a range of sources.
- The impact of Practices failing to achieve sustainability. The support of the National team is focused around securing sustainability for Practices, particularly through the demonstration of a positive cost-benefit impact at a local level.
- Safeguarding risk - each Pause Practice is employed by the local delivery host and follows their localised safeguarding policy. Pause has a clear overarching safeguarding and critical incident notification process. We monitor any critical incidents that take place in Pause Practices and report annually on these to the Practice Committee.

Although the Pause financial position is stable for at least the next 12 months, it is important to understand the longer-term risk to sustainability faced by Pause if local areas are no longer in a position to support Pause Practices. The Trustees and Finance and Risk Committee regularly review this risk and keep a focus on income generation and projected cash flows.

It continues to be vital to monitor Practices and collect data that will provide assurance of quality and fidelity to the model. As Pause grows and as local areas understand more about Practice, there is a risk that the model will become diluted, local areas may want to deliver more in house and as a result Practices may become less effective.



## Pause Creating Space for Change

### Report of the Board of Trustees as at 31 March 2020

#### Reserves policy

The purpose of the General Fund Policy for Pause (the Reserves policy) is to ensure the stability of the mission, programmes, employment, and ongoing operations of the organisation.

The General Fund (the Reserves) is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Reserves may also be used for one-time, non-recurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure.

Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of Pause for Reserves to be used and replenished within a reasonably short period of time.

The trustees have set a target minimum Reserve that is the equivalent of three months of operating costs or £560,000.

The level of free reserves as at the 31 March 2020 of £1,437,471 is higher than the minimum reserve target. This has been part of a deliberate strategy to build up reserves to secure sustainability of the national team as Pause transitions from reliance on a large grant and begins to move towards a more diverse income base. The Reserves Policy will be reviewed periodically.

#### Plans for future periods

Although growth is likely to slow over the next 12 months, Pause anticipates opening at least another eight new Practices in 2020/21. Pause will remain focussed on ensuring Practices are supported to deliver high quality services to women which are faithful to the Pause model.

As the number of women engaged with Pause increases, so will the ability of the organisation to listen and respond to the experiences and voices of women. We will build on the successful Getting Involved work in 2018/19 and continue to amplify women's voices and experiences to help influence change to wider services and policy affecting vulnerable groups, particularly around the issue of relationships with children and contact arrangements.

We will focus on learning from Practice and women and explore different models, particularly those that enable us to work across geographical areas.

## Structure, Governance and Management

### Structure

Pause is a company limited by guarantee and a registered charity governed by a memorandum and articles of association. Through formal arrangements with delivery partners, usually local authorities but also sometimes other voluntary sector bodies, Pause delivers Pause Practices. Delivery partners must sign a Practice Agreement committing them to working within the Pause Framework. Pause employs a national team, led by the Chief Executive who reports to the Board of Trustees.

### Governance

Nat Sloane has been Chair of Pause since February 2019. The Board meets at least four times per year. The Board has three committees which focus on key aspects of performance and make recommendations to the main board. These are:

- The Practice Committee, which provides oversight to issues of practice, quality and learning;
- The Finance and Risk Committee which reviews risk on a quarterly basis and has oversight of financial management and
- The Development Committee which considers opportunities for development and income generation.

These committees are each chaired by a Trustee and also meet at least four times each year.

Trustees carry out a skills audit on an annual basis and use the results to identify key gaps. Once this is done, if necessary, a search is undertaken for appropriate Trustees to fill any gaps. The Board appoints Trustees directly.

New Trustees undertake a tailored induction programme intended to give them an understanding of the role of Trustee, the work of the organisation and any particular information appropriate for their specific role. Throughout the year, Trustees have the opportunity to visit Practices and meet with staff and beneficiaries outside the usual governance calendar.

The Trustees have taken due regard to the Charity Commission's guidance on Public Benefit including PB1.

### Management

The Board of Trustees delegates operational management of the charity to the Chief Executive with a scheme of delegation outlined in the governance policies. The Pause leadership team consists of the Chief Executive, the Director of Practice and Learning, the Director of Business Development and the Director of Communications and Influencing and each leads a team of staff.

## Pause Creating Space for Change

### Report of the Board of Trustees as at 31 March 2020

Pay is set for Pause staff through a process of benchmarking against other organisations and within the organisation. The Finance and Risk Committee considers staff pay on an annual basis and makes a recommendation about pay increases to the Board.

## Statement of Trustees' responsibilities

The Trustees (who are also directors of Pause Creating Space for Change for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. This report has been prepared in accordance with the special provisions of Section 381 of the Companies Act 2006 relating to small companies.

Pause Creating Space for Change  
Report of the Board of Trustees as at 31 March 2020

Moore Kingston Smith LLP were appointed auditor in accordance with section 485 of the Companies Act 2006. A resolution proposing that they be re-appointed will be put at a General Meeting.

By order of the Board of Trustees

A handwritten signature in black ink, appearing to read 'N Sloane', written in a cursive style.

N Sloane (Chair)

23 November 2020

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PAUSE CREATING SPACE FOR CHANGE**

### **Opinion**

We have audited the financial statements of Pause Creating Space for Change ('the company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Pause Creating Space for Change

### Independent Auditor's Report

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

## Pause Creating Space for Change Independent Auditor's Report

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 11 and 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal controls as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## Pause Creating Space for Change Independent Auditor's Report

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Handwritten signature of Luke Holt in black ink.

Luke Holt (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP Statutory Auditor

Date

*3 December 2020*

Devonshire House

60 Goswell Road

London

EC1M 7AD



## Pause Creating Space for Change

### Statement of Financial Activities (Incorporating the Income and Expenditure Account) For the year ended 31 March 2020

	Note	Unrestricted Funds	Restricted Funds	Total Funds For the year Ended March 2020	Total Funds for the year Ended March 2019
		£	£	£	£
<b>Income from:</b>					
<i>Donations and Legacies:</i>					
Grants/Donations	2	34,450	2,432,894	2,467,344	3,400,202
Charitable activities:		<u>625,635</u>	<u>-</u>	<u>625,635</u>	<u>633,942</u>
<b>Total Income</b>		<u>660,085</u>	<u>2,432,894</u>	<u>3,092,979</u>	<u>4,034,144</u>
<b>Expenditure on:</b>					
Raising Funds		-	-	-	-
Charitable Activities	3	<u>35,994</u>	<u>2,199,077</u>	<u>2,235,071</u>	<u>3,138,368</u>
<b>Total Expenditure</b>		<u>35,994</u>	<u>2,199,077</u>	<u>2,235,071</u>	<u>3,138,368</u>
<b>Net Income/Expenditure</b>		<u>624,091</u>	<u>233,817</u>	<u>857,908</u>	<u>895,776</u>
Transfers between funds		-	-	-	-
Total funds brought forward		<u>813,380</u>	<u>726,997</u>	<u>1,540,377</u>	<u>644,601</u>
<b>Total Funds Carried Forward</b>		<u>1,437,471</u>	<u>960,814</u>	<u>2,398,285</u>	<u>1,540,377</u>

## Pause Creating Space for Change Balance Sheet as at 31 March 2020

	Note	As at 31 March 2020 £	As at 31 March 2019 £
<b>Current assets</b>			
Debtors:	7	330,062	<u>434,462</u>
Cash at bank and in hand		<u>2,105,916</u>	<u>1,217,445</u>
		<u>2,435,978</u>	<u>1,651,907</u>
<b>Creditors</b>	8	<u>37,693</u>	<u>111,530</u>
<b>Net Current Assets</b>		2,398,285	1,540,377
<b>Net assets</b>		<u>2,398,285</u>	<u>1,540,377</u>
<b>Capital and Reserves</b>			
Restricted funds	9	960,814	726,997
General funds		1,437,471	813,380
<b>Total funds carried forward</b>		<u>2,398,285</u>	<u>1,540,377</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

N Sloane (Chair)



23 November 2020

## Pause Creating Space for Change Cash Flow as at 31 March 2020

### Statement of cash flows to 31 March 2020

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Cash Flows from operating activities		
<i>Net cash provided by (used in) operating activities</i>	888,471	455,880
<i>Change in cash in the reporting period</i>	888,471	455,880
Cash at the beginning of the reporting period	<u>1,217,445</u>	<u>761,565</u>
Cash at the end of the reporting period	<u>2,105,916</u>	<u>1,217,445</u>
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	857,908	895,776
Adjustments For:		
(Increase )/decrease in debtors	104,400	12,566
Increase/(decrease in creditors)	(73,837)	(452,462)
Net cash provided by operating activities	<u>888,471</u>	<u>455,880</u>
<b>Cash and cash equivalents at the beginning of the year</b>	1,217,445	761,565
<b>Cash and cash equivalents at the end of the year</b>	2,105,916	1,217,445
<b>Cash and cash equivalents consists of:</b>		
Cash at bank and in hand	<u>2,105,916</u>	<u>1,217,445</u>

# Pause Creating Space for Change

## Notes to the Accounts For the year ended 31 March 2020

### 1. Accounting Policies

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) (effective 1 January 2015). The Charity is a public benefit entity as defined by FRS 102.

#### **Basis of Accounting**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. All incoming and outgoing resources are dealt with on the accruals basis unless otherwise stated below.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

#### **Income**

Voluntary income, including grants, is recognised in the period in which the charitable company is entitled to receipt, there is a probability of receipt and the amount can be measured reliably.

Income from charitable activities is recognised as earned.

#### **Going Concern Basis**

The financial statements are prepared on a going concern basis which assumes the charitable company will continue in operational existence for the foreseeable future.

The Trustees have assessed whether the use of the going concern basis is appropriate. The trustees are confident that the future funding streams will continue to provide funding for the charity in 2021-22, however at the date of approval of these financial statements these have not been confirmed in writing. The Trustees have also assessed the impact of Covid 19 and have concluded the charitable company has adequate resources for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in the preparation of the financial statements.

# Pause Creating Space for Change

## Notes to the Accounts For the year ended 31 March 2020

### **Accounting estimates and areas of judgement**

The Trustees have considered the accounting policies adopted, and no judgements were required that have a significant effect on the amounts recognised in the financial statements.

### **Expenditure Allocation**

The directors have allocated staff costs on the basis of the amount of time spent by each member of staff in each area of activity of the charity.

### **Governance Costs**

Governance costs relate to the direct costs associated with the constitutional and statutory requirements of the charitable company and include the costs of external audit, secretariat and other constitutional related costs.

### **Pension Scheme Arrangements**

During the Financial year, the charity met its staging date of having a pension scheme. This scheme is with the People's Pension and Pause contributes six percent employer contributions to all staff.

### **Funds**

Unrestricted Funds – These are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted Funds – These are funds which are to be used for specific purposes as laid down by the donor.

### **Judgements and Estimates**

In application of the Charity's accounting policies, the board is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no estimates and assumptions which are believed to have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities in the current or prior period.

## Pause Creating Space for Change

### Notes to the Accounts For the year ended 31 March 2020

#### **Financial Instruments**

Debtors and creditors receivable or payable within one year of the reporting date are carried initially at their transaction price and subsequently at settlement value. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

#### **Cash and Cash Equivalents**

Cash and cash equivalents includes cash at bank and in hand and short term deposits with a maturity date of three months or less.

#### **Employee Benefits**

The costs of short term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised as an expense when demonstrably committed to terminate the employment of an employee or to provide termination benefit.

# Pause Creating Space for Change

## Notes to the Accounts For the year ended 31 March 2020

### 2. Voluntary income

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Donations	569,116	111,872
Department for Education	1,295,655	2,411,542
Gifts In Kind (Hackney Learning Trust Desk Space)	9,506	50,700
The National Lottery Community Fund	593,067	826,088
	<hr/> 2,467,344	<hr/> 3,400,202
Unrestricted Income (included in Donations above)	34,450	69,233
Restricted Income (see Note 9)	<hr/> 2,432,894	<hr/> 3,330,969
	2,467,344	3,400,202

There are no un-fulfilled conditions attached to any of the government grant funding included above.

### 3. Charitable Activities

	Direct Costs £	Support Costs £	Year ended 31 March 2020 £	Year ended 31 March 2019 £
National Pause	590,907	718,804	1,309,711	1,281,644
Grants to Pause Practices	480,415	430,681	911,096	1,845,728
Governance Costs:				
Auditors Fees	10,428	-	10,428	8,064
Trustee Expenses	2,589	-	2,589	1,744
Professional Indemnity Insurance	1,247	-	1,247	1,188
	<hr/> 1,085,586	<hr/> 1,149,485	<hr/> 2,235,071	<hr/> 3,138,368
Unrestricted Expenditure	35,994	-	35,994	422,402
Restricted Expenditure (see Note 9)	<hr/> 1,049,592	<hr/> 1,149,485	<hr/> 2,199,077	<hr/> 2,715,966
	1,085,586	1,149,485	2,235,071	3,138,368

#### Trustee travel expenditure

Six Trustees were reimbursed for travel expenses during the year costing £2,589.  
(Four Trustees 2019 costing £1,744)  
Support Costs are allocated as per staff time.

## Pause Creating Space for Change

### Notes to the Accounts For the year ended 31 March 2020

#### 4. Support Costs

	<b>Year ended 31 March 2020 £</b>	<b>Year ended 31 March 2019 £</b>
Salary Costs	1,149,485	1,105,199
	1,149,485	1,105,199

#### 5. Staff Costs

	<b>Year ended 31 March 2020 £</b>	<b>Year ended 31 March 2019 £</b>
Salaries	981,036	942,035
Social Security	109,661	106,959
Pensions	58,788	56,204
Temporary Staff	-	-
Recruitment Costs	1,061	26,664
	<hr/> 1,150,546	<hr/> 1,131,862

Three employees: £60,000-£69,999. (Four 2019)

One employee: £80,000-£89,999.

Pension Costs for employee: £5,127 (£5,023 2019)



# Pause Creating Space for Change

## Notes to the Accounts For the year ended 31 March 2020

### 6. Staff Numbers

The average monthly head count was 22 staff (2019: 20 staff)

	<b>2020 No.</b>	<b>2019 No:</b>
Executive	4	5
Practice & Learning	10	7
Communications	2	2
Business Development	6	6
	<hr/>	<hr/>
	22	20

#### Key management personnel

In identifying 'key management personnel', Pause recognises a large number of roles that contribute to the successful development of a new and changing organisation. Quality of practice and fidelity to the Pause model are essential aspects of the Pause Programme and we have included roles which have the most regular and closest contact with Pause Practices in calculating the cost of Key Management Personnel. Roles included in this period are:

- Chief Executive
- Director of Practice and Learning
- Director of Communications
- Director of Business Development
- Practice Development Lead for The Nations
- Programme Manager
- National Scoping Lead
- National Practice Leads x4 (2019 x5)

The total key management personnel remuneration including during the year is £698,323. (2019 £775,841)

## Pause Creating Space for Change

### Notes to the Accounts As at 31 March 2020

#### 7. Debtors

	<b>As At 31 March 2020 £</b>	<b>As At 31 March 2019 £</b>
Trade Debtors	189,000	188,962
Accrued Income	132,894	239,836
Season Ticket Loan	8,168	5,664
	<hr/> 330,062	<hr/> 434,462

#### 8. Creditors

	<b>As At 31 March 2020 £</b>	<b>As At 31 March 2019 £</b>
Trade Creditors	8,654	82,953
Accruals	20,914	17,668
Taxation and Social Security Payable	8,125	10,909
	<hr/> 37,693	<hr/> 111,530

# Pause Creating Space for Change

## Notes to the Accounts As at 31 March 2020

### 9. Restricted Funds

	Opening Balance as at 1 April 2019	Incoming Resources	Outgoing Resources	Balance as at 31 March 2020
	£	£	£	£
Balcombe Trust	12,071	-	12,071	-
Department for Education Children's Social Care Innovation Programme	-	1,295,655	1,295,655	-
The National Lottery Community Fund	694,926	593,067	638,034	649,959
Comic Relief	20,000	60,000	25,210	54,790
Emmanuel Kaye	-	30,000	30,000	-
Belinda Scott	-	100,000	-	100,000
Esmee Fairbairn	-	104,172	51,863	52,309
Robertson Trust	-	150,000	146,244	3,756
CHK Foundation	-	100,000	-	100,000
	726,997	2,432,894	2,199,077	960,814

#### Balcombe Trust:

Funding for Care Leaver's pilot programme, supporting younger women who have had a child removed into care.

#### Department for Education Children's Social Care Innovation Programme:

Funding to further increase Pause's scale and spread nationally, including the set-up of new Pause Practices and testing new ways of working.

#### The National Lottery Community Fund:

Three-year grant to enable Pause to expand into the home nations, embed user voice (now called Getting Involved), develop a 'Post Pause' offer (now called Next Steps), and evaluate these three strands of work.

#### Comic Relief:

Funding for the Sharing Voices project which will advance Pause's use of creative tools to support vulnerable women caught in a cycle of repeat removals of children.

#### Emmanuel Kaye:

Contribution to Core Costs with a specific focus on the Pause People conference.

# Pause Creating Space for Change

## Notes to the Accounts

As at 31 March 2020

Belinda Scott:

Contribution towards Pause Somerset.

Esmee Fairbairn:

Three-year grant to fund development of the 'Next Steps' programme and to ensure that women's experiences influence changes in policy and practice.

Robertson Trust:

Two year grant to fund delivery of a Pause practice in Dundee, plus a grant to fund scoping in Aberdeen.

CHK Foundation:

Grant to fund set-up (including scoping exercises in five local areas) and first year delivery costs of a Pause practice in the North East.

### 10. Taxation

The company is a registered charity and does not undertake non-charitable activities and is entitled to tax exemption by the HM Revenue and Customs.

### 11. Capital

Pause Creating Space for Change is a company limited by guarantee. In the event of a winding up of the charitable company the Members' individual liability is restricted to an amount not exceeding £10.

### 12. Related Party Transactions

There were no related party transactions during this period.

### 13. Financial Instruments

	2020 £	2019 £
Financial assets measured at amortised cost	330,062	434,462
Financial liabilities measured at amortised cost	(37,693)	(111,530)

## Pause Creating Space for Change

### Notes to the Accounts As at 31 March 2020

#### 14. Net Assets between Funds

	<b>General Fund</b>	<b>Restricted Funds</b>	<b>Total 2020</b>
Current Assets	1,475,164	960,814	2,435,978
Current Liabilities	(37,693)	-	(37,693)
	<u>1,437,471</u>	<u>960,814</u>	<u>2,398,285</u>
	<b>General Fund</b>	<b>Restricted Funds</b>	<b>Total 2019</b>
Current Assets	924,910	726,997	1,651,907
Current Liabilities	(111,530)	-	(111,530)
	<u>813,380</u>	<u>726,997</u>	<u>1,540,377</u>